

Consolidated Financial Highlights for the First Quarter of FY2025 (From April 1, 2025 to June 30, 2025)

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NIHON KOHDEN CORPORATION

(Ticker Code: 6849)

August 6, 2025

Fighting Disease with Electronics



1) Consolidated Financial Results for the 1st Quarter of FY2025

	FY2024 1Q	FY2025 1Q	YoY (%)	(Amounts of less than ¥1 million are rounded down)
Net Sales	46,227	50,020	8.2	
Domestic Sales	29,493	30,686	4.0	
Overseas Sales	16,734	19,334	15.5	<div> +22% on a local currency basis (+14% on a local currency basis excluding impact of consolidation of Ad-Tech) </div>
Gross Profit (Gross Profit Margin)	21,857 47.3%	26,316 52.6%	20.4	<div> In-house sales ratio: FY2024 1Q 68.9% → FY2025 1Q 72.6% </div>
Operating Income (Operating Income Margin)	- 1,248 -	1,400 2.8%	-	<div> SG&A Ratio: 50.0% → 49.8% </div>
Ordinary Income	1,674	473	- 71.7	<div> Foreign exchange gains/losses: ¥2,741 mil gains → ¥1,015 mil losses </div>
Income Attributable to Owners of Parent	766	137	- 82.1	

Average Exchange Rate	(2024/6)	(2025/6)
1 US Dollar	154.7 yen	146.3 yen
1 EURO	166.7 yen	162.7 yen

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- Overall sales increased 8.2% to ¥50.0 billion.
- Domestic sales increased 4.0% to ¥30.6 billion. Sales increased because the Company focused on its consumables and services business. Sales of AEDs also increased favorably in the PAD (public access defibrillation) market.
- Overseas sales increased 15.5% to ¥19.3 billion, a 22% growth on a local currency basis, and a 14% growth on a local currency basis excluding the impact of the consolidation of Ad-Tech. Sales in all regions increased.
- Operating income of ¥1.4 billion was recorded due to increased sales and the consolidation of Ad-Tech as well as favorable gross profit margin reflecting a decrease in inventory devaluation and higher selling prices.
- Ordinary income decreased 71.7% to ¥0.4 billion and income attributable to owners of parent decreased 82.1% to ¥0.1 billion, reflecting foreign exchange losses compared to gains in the 1st quarter of FY2024.
- The 1st quarter performance was in line with the Company's forecast, as both domestic and overseas sales were generally in line with its expectations. The gross profit margin was above 52% and SG&A expenses also remained in line with the Company's expectations.

2) Highlights of FY2025 1Q

Net Sales : +8.2%

- **Japan**: Sales increased, because the Company focused on its consumables and services business. Sales of AEDs also increased favorably in the PAD (public access defibrillation) market. Sales of locally purchased products decreased as the Company focused on selling in-house products.
- **International**: Sales in all regions increased. Sales achieved double-digit growth, driven in particular by strong sales in North America and Asia & Other, on a comparable basis excluding the currency effect and the impact of the consolidation of Ad-Tech.

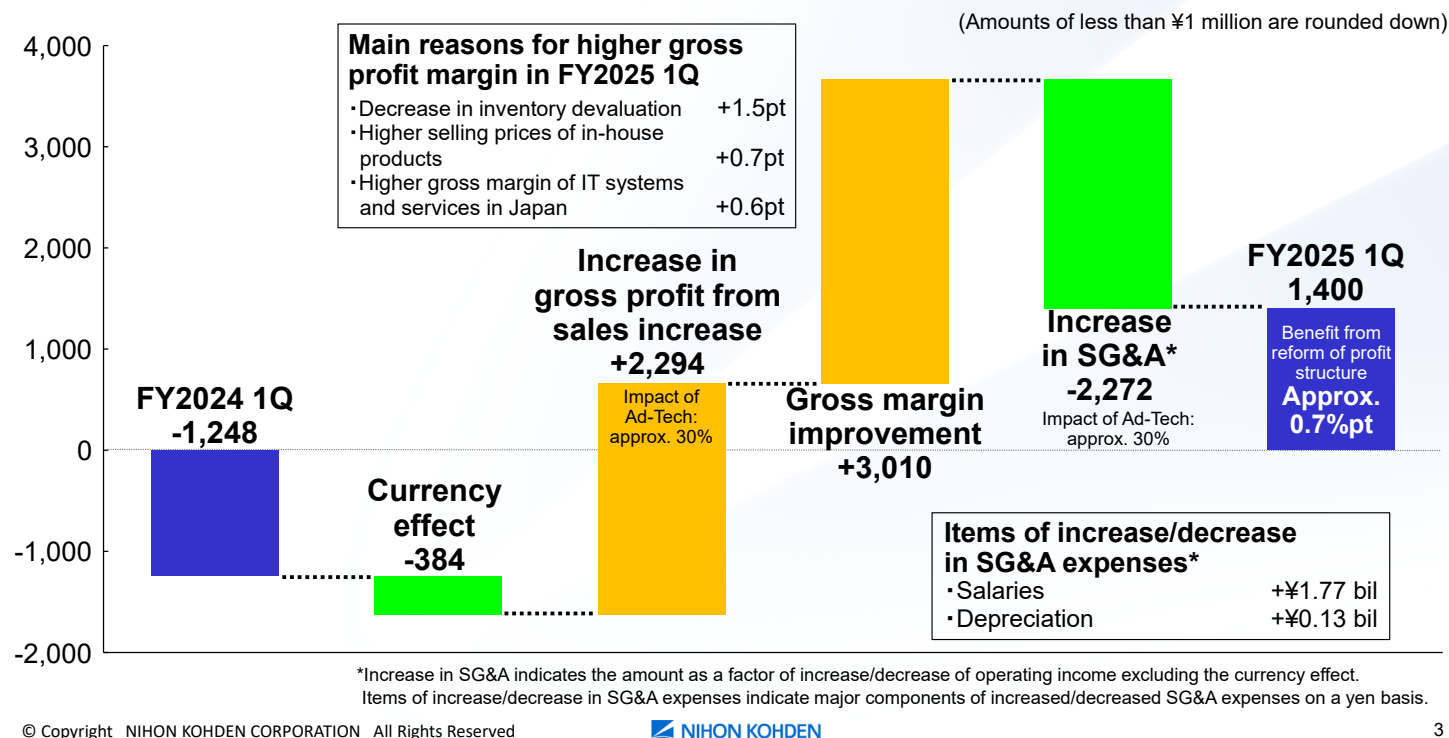
Operating Income : ¥1,400 mil (Operating losses of ¥1,248 mil in FY2024 1Q)

- Operating income was recorded due to increased sales and the consolidation of Ad-Tech as well as favorable gross profit margin reflecting a decrease in inventory devaluation and higher selling prices.

Ordinary Income : -71.7%

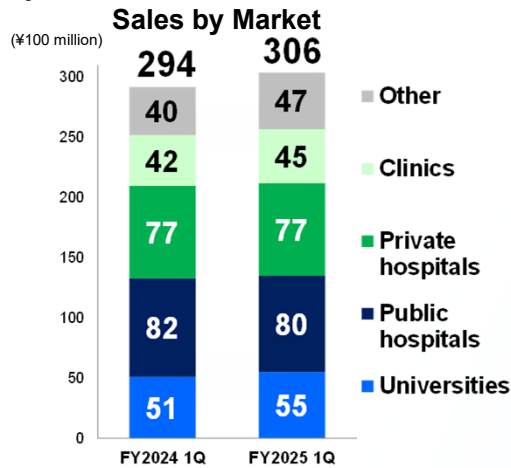
- Foreign exchange losses were recorded compared to gains in FY2024 1Q.

3) Breakdown of Operating Income



- In the 1st quarter of FY2025, operating income of ¥1.4 billion was recorded compared to operating loss of ¥1.2 billion in the 1st quarter of FY2024.
- Currency effect had a negative impact of ¥0.3 billion.
- The increase in gross profit from sales increase was ¥2.2 billion, of which, around 30% was due to the impact of the consolidation of Ad-Tech.
- Gross margin improvement was a positive factor worth ¥3.0 billion, due to a decrease in inventory devaluation, higher selling prices of in-house products, and higher gross margin of IT systems and services in Japan.
- Due to wage increases, SG&A expenses were a negative factor worth ¥2.2 billion, of which, around 30% was the impact of the consolidation of Ad-Tech, including amortization of goodwill.

4) Domestic Sales



Sales by Product Category

	(Sales, millions of yen)		
	FY2024 1Q	FY2025 1Q	YoY (%)
Physiological Measuring Equipment	7,760	8,492	9.4
Patient Monitors	9,038	8,482	- 6.2
Treatment Equipment	6,641	7,430	11.9
Other Medical Equipment	6,051	6,280	3.8
Total Sales	29,493	30,686	4.0

[Markets] Sales of AEDs showed strong growth in the PAD (public access defibrillation) market. Sales in the university and clinic markets also increased favorably. Sales in the private hospital market remained flat and sales in the public hospital market decreased.

[Products] **Physiological Measuring Equipment:** Sales of polygraphs for cath lab as well as diagnostic information systems achieved double-digit growth. Sales of ECGs increased favorably and sales of EEGs also increased.

Patient Monitors: Sales of telemetry systems decreased compared to the strong growth in FY2024 1Q, which was supported by the launch of new products. Sales of bedside monitors also decreased. Sales of consumables such as sensors increased.

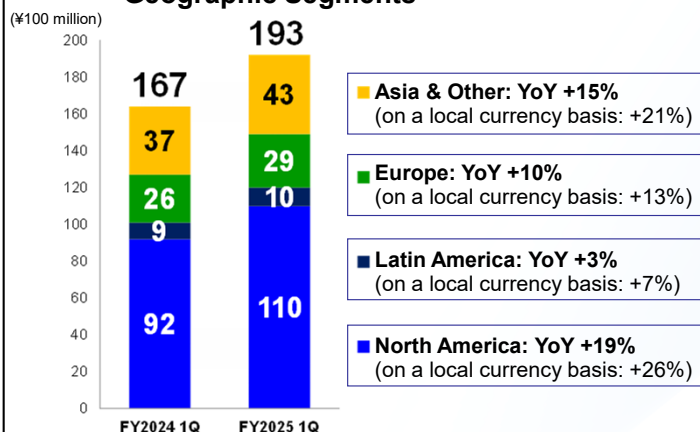
Treatment Equipment: Sales of AEDs achieved double-digit growth thanks to continued replacement demand and the launch of new products. Sales of defibrillators also increased favorably.

Other Medical Equipment: Sales of hematology instruments and reagents achieved double-digit growth. Sales of installation and maintenance services for medical devices also increased favorably. Sales of locally purchased products decreased.

- Domestic sales increased by ¥1.2 billion to ¥30.6 billion. Sales increased because the Company focused on its consumables and services business as well as strengthening its marketing and service capabilities.
- Sales of AEDs showed strong growth in the PAD (public access defibrillation) market. Sales in the university and clinic markets also increased favorably. Sales in the private hospital market remained flat and sales in the public hospital market decreased.
- Sales of Treatment Equipment achieved double-digit growth and sales of Physiological Measuring Equipment increased favorably. Sales of Other Medical Equipment also increased, while sales of Patient Monitors decreased.
- In Physiological Measuring Equipment, sales of polygraphs for cath lab as well as diagnostic information systems achieved double-digit growth. Sales of ECGs increased favorably and sales of EEGs also increased.
- In Patient Monitors, sales of telemetry systems decreased compared to the strong growth in the 1st quarter of FY2024, which was supported by the launch of new products. Sales of bedside monitors also decreased. Sales of consumables such as sensors increased.
- In Treatment Equipment, sales of AEDs achieved double-digit growth thanks to continued replacement demand and the launch of new products. Sales of defibrillators also increased favorably.
- In Other Medical Equipment, sales of hematology instruments and reagents achieved double-digit growth. Sales of installation and maintenance services for medical devices also increased favorably. Sales of locally purchased products decreased as the Company focused on selling in-house products.

5) Overseas Sales

Geographic Segments



Percentage of overseas sales to consolidated sales

FY2024 1Q	FY2025 1Q
36.2%	38.7%

Sales by Product Category

(Sales, millions of yen)

	FY2024 1Q	FY2025 1Q	YoY (%)
Physiological Measuring Equipment	2,409	4,108	70.5
Patient Monitors	8,275	7,883	- 4.7
Treatment Equipment	4,193	5,628	34.2
Other Medical Equipment	1,855	1,713	- 7.6
Total Sales	16,734	19,334	15.5

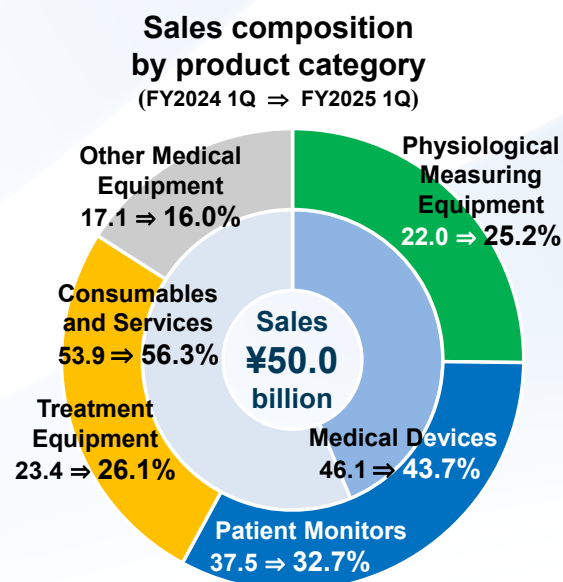
+22% on a local currency basis
(+14% on a local currency basis excluding impact of consolidation of Ad-Tech)

- [Region]** **North America:** Sales of neurology products including Ad-Tech increased significantly. Sales of ventilators and AEDs also showed strong growth. Sales of patient monitors decreased compared to the strong growth in FY2024 1Q.
Latin America: Sales increased, mainly in Brazil.
Europe: Sales increased favorably, especially in Turkey, Italy, France, and the U.K.
Asia & Other: Sales in Thailand and Vietnam showed strong growth and sales in China also increased.
- [Products]** **Physiological Measuring Equipment:** Sales of EEGs increased significantly due to the impact of the consolidation of Ad-Tech. Sales of ECGs showed double-digit growth in Asia & Other and Latin America.
Patient Monitors: Sales in North America and Europe decreased compared to the strong growth in FY2024 1Q. Sales in Asia & Other achieved double-digit growth due to a recovery in sales in Southeast Asia.
Treatment Equipment: Sales of ventilators in all regions increased significantly, especially driven by sales growth of a mask-type ventilator in North America. Sales of defibrillators and AEDs also achieved double-digit growth.
Other Medical Equipment: Sales of hematology instruments and reagents decreased, mainly in Asia & Other.

- Overseas sales increased by ¥2.6 billion to ¥19.3 billion, a 22% growth on a local currency basis. Sales increased in all regions and achieved double-digit growth on a comparable basis excluding the currency effect and the impact of the consolidation of Ad-Tech. The overseas sales ratio was 38.7%.
- Sales in North America showed double-digit growth, posting a significant increase in sales of neurology products including Ad-Tech as well as favorable sales of Treatment Equipment such as ventilators and AEDs. Sales of Patient Monitors remained flat on a local currency basis and decreased on a yen basis due to yen appreciation.
- Sales in Latin America increased, mainly in Brazil.
- Sales in Europe increased favorably, especially in Turkey, Italy, France, and the U.K.
- Sales in Asia & Other achieved double-digit growth, as sales in Thailand and Vietnam showed strong growth and sales in China also increased. The fiscal year-end of our subsidiary in China is December 31. Sales in China in the 1st half of FY2025 are expected to result in a mid-to-high single-digit decline.
- Sales of Physiological Measuring Equipment and Treatment Equipment increased significantly, while sales of Patient Monitors and Other Medical Equipment decreased. In Physiological Measuring Equipment, sales of EEGs increased significantly mainly due to the impact of the consolidation of Ad-Tech. Sales of ECGs also showed double-digit growth in Asia & Other and Latin America. In Patient Monitors, sales in North America and Europe decreased compared to the strong growth in the 1st quarter of FY2024, while sales in Asia & Other achieved double-digit growth due to a recovery in sales in Southeast Asia. In Treatment Equipment, sales of ventilators increased significantly in all regions, especially sales of a mask-type ventilator in North America. Sales of defibrillators and AEDs also achieved double-digit growth. In Other Medical Equipment, sales of hematology instruments and reagents decreased, mainly in Asia & Other.

6) Sales by Product Category

	(Sales, millions of yen)		
	FY2024 1Q	FY2025 1Q	YoY (%)
Physiological Measuring Equipment	10,170	12,600	23.9
Patient Monitors	17,314	16,366	- 5.5
Treatment Equipment	10,835	13,058	20.5
Other Medical Equipment	7,906	7,994	1.1
Total Sales	46,227	50,020	8.2
(Reference)			
Medical Services	21,331	21,856	2.5
Consumables and Services	24,895	28,163	13.1



- Sales of Physiological Measuring Equipment increased 23.9% to ¥12.6 billion.
- Sales of Patient Monitors decreased 5.5% to ¥16.3 billion.
- Sales of Treatment Equipment increased 20.5% to ¥13 billion.
- Sales of Other Medical Equipment increased 1.1% to ¥7.9 billion.
- Sales of Consumables and Services increased 13.1% to ¥28.1 billion due to the impact of the consolidation of Ad-Tech. The sales ratio of Consumables and Services also increased to 56.3%.

(Ref.) Breakdown of Sales by Product Category

(Billions of yen)

Physiological Measuring Equipment	FY2024 1Q	FY2025 1Q	Treatment Equipment	FY2024 1Q	FY2025 1Q
Electroencephalographs	2.1	3.7	Defibrillators (for Hospital and Ambulance)	1.5	1.8
Electrocardiographs	1.3	1.4	AEDs (Automated External Defibrillator)	5.2	6.2
Polygraphs for Cath Lab	4.3	4.7	Pacemakers / ICDs	0.6	0.7
Diagnostic Information Systems	1.0	1.2	Ventilators	1.4	2.3
Other Physiological Measuring Equipment *	1.4	1.4	Other Treatment Equipment	1.9	1.9

*Includes products of other companies.

Patient Monitors	FY2024 1Q	FY2025 1Q	Other Medical Equipment	FY2024 1Q	FY2025 1Q
Patient Monitors	17.3	16.3	Hematology Instruments	2.9	3.0
Clinical Information Systems	0.9	0.7	Imaging Systems and Others *	5.0	4.9

*Includes consumables, installation and maintenance services which are not part of other categories.

- A breakdown of sales by product category is shown above.

7) Topics

New products and services in FY2025

Solution Business (ITS + DHS)

Clinical assistant service PRM-2100

 PrimeBridge
Launched in Japan
in FY2024 4Q

- Enables integration of patient data from EMRs and centralized management of testing data from medical devices for reference inside/outside hospitals
- Reduces small and mid-sized hospitals' initial cost burden by charging users a monthly fee and providing software upgrades using the cloud server

Live View Panel Pro for advanced remote neurology monitoring

Launched in the U.S.
in FY2025 1Q



- Real-time remote management of EEG, PSG, and IONM* data of patients across multiple locations
 - Expanded support for remote diagnosis by neurology specialists
- * PSG: Polysomnography,
IONM: Intraoperative neurophysiological monitoring.

Treatment Equipment Business

Fully automatic AED AED-3200

Launched in Japan
in FY2025 1Q



- Aimed at reducing the psychological burden on rescuers and promoting early defibrillation by automatically delivering shocks without operator intervention
- Lighting/flashing lamps as well as voice prompts guide user operation and alert users to delivery of shocks

Ad-Tech becomes wholly owned subsidiary

- Consolidated as subsidiary by acquiring 71.4% shares of parent company in November 2024
- Became wholly owned subsidiary on acquisition of remaining 28.6% shares in July 2025
- Sales/income in FY2025 1Q/1H are in line with the plan

- Our new products and services in FY2025 are shown above.
- In our Solutions Business, we focus on proposals of PrimeBridge, a clinical assistant service for small and medium-sized hospitals, which launched at the end of FY2024. We expect that it will contribute to improving operational efficiency, medical safety, and quality of medical care, because it enables integration of patient data from electronic medical records and centralized management of testing data from medical devices for reference inside/outside hospitals. As it also uses cloud servers and charges users a monthly fee, medical institutions will be able to reduce their initial cost burden and easily upgrade their software to the latest version.
- In the U.S., we launched Live View Panel Pro, which supports remote diagnosis of epilepsy and sleep apnea syndrome. In the field of neurology, as the number of neurology specialists who can interpret EEG is limited, there is demand among hospitals for a system which allows real-time management of remote neuro-monitored patients in multiple locations from a centralized location. The user interface has been improved compared to our conventional products to meet the needs of top-end hospitals. We hope that it will contribute to improving operational efficiency and patient outcomes.
- In our Treatment Equipment Business, we launched affordable models of fully automatic AEDs in Japan. We hope that it will reduce the psychological burden on rescuers by automatically delivering shocks without operator intervention. We also hope that it will further improve the survival rate by promoting early defibrillation, as lighting and flashing lamps as well as voice prompts guide user operation and alert users to delivery of shocks.
- Ad-Tech Medical Instrument Corporation, which Nihon Kohden consolidated as one of its subsidiaries in November 2024, became a wholly owned subsidiary in July 2025. The fiscal year-end of Ad-Tech is December 31. Sales and income are in line with expectations, both in the 1st quarter and 1st half of FY2025. We are continuing to focus on creating synergies driven by the Neurology Business Division, which was newly established in April 2025.

8) Financial Condition

(Amounts of less than ¥1 million are rounded down)

	FY2024	FY2025 1Q	Change		FY2024	FY2025 1Q	Change
Current Assets	183,085	173,198	- 9,886	Current Liabilities	72,296	65,104	- 7,192
Inventories	56,174	58,194	2,019	Interest-bearing Debt	26,030	26,034	3
Property, Plant & Equipment	29,270	29,023	- 247	Non-current Liabilities	4,685	4,433	- 251
Intangible Assets	27,653	26,048	- 1,605	Net Assets	181,294	177,528	- 3,766
Investments & Other Assets	18,266	18,795	529				
Total Assets	258,276	247,066	- 11,210	Total Liabilities & Net Assets	258,276	247,066	- 11,210
Inventory Turnover (months)	6.2	6.6		Equity Ratio	69.5%	71.2%	

[Reasons for the decrease of current assets]

- Notes and accounts receivable decreased by ¥13.6 bil.

[Reasons for the decrease of current liabilities]

- Accrued income taxes decreased by ¥2.9 bil.
- Provision for bonuses decreased by ¥3.3 bil.

- Total assets decreased by ¥11.2 billion to ¥247 billion.

9) Cash Flows

	FY2024 1Q	FY2025 1Q	Change	(Amounts of less than ¥1 million are rounded down)																							
I . Cash flows from operating activities	- 544	5,911	6,456	<table><tr><th>FY2024 1Q</th><th>FY2025 1Q</th><th>Change</th></tr><tr><td>Income before income taxes</td><td>1,669</td><td>472</td><td>-1,196</td></tr><tr><td>Foreign exchange losses (gains)</td><td>-2,080</td><td>915</td><td>+2,996</td></tr><tr><td>Decrease (increase) in accounts receivable</td><td>12,623</td><td>13,768</td><td>+1,145</td></tr><tr><td>Increase (decrease) in accounts payable</td><td>-3,583</td><td>-1,022</td><td>+2,560</td></tr><tr><td>Income taxes paid</td><td>-5,360</td><td>-3,545</td><td>+1,814</td></tr></table>	FY2024 1Q	FY2025 1Q	Change	Income before income taxes	1,669	472	-1,196	Foreign exchange losses (gains)	-2,080	915	+2,996	Decrease (increase) in accounts receivable	12,623	13,768	+1,145	Increase (decrease) in accounts payable	-3,583	-1,022	+2,560	Income taxes paid	-5,360	-3,545	+1,814
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Income taxes paid	-5,360	-3,545	+1,814																								
II . Cash flows from investing activities	- 1,115	- 1,160	- 45																								
Free cash flows	- 1,660	4,750	6,411																								
III . Cash flows from financing activities	- 2,581	- 2,582	- 0																								
Effect of exchange rate change on cash and cash equivalents	1,157	- 1,017	- 2,174																								
Net increase (decrease) in cash and cash equivalents	- 3,083	1,151	4,235																								
Cash and cash equivalents at end of period	46,794	44,213	- 2,580																								

- Cash and cash equivalents at the end of the period increased by ¥1.1 billion to ¥44.2 billion.

10) Capital Investments and R&D Costs

(Millions of yen)

	FY2024 1Q	FY2025 1Q	Change	FY2024 Actual	FY2025 Plan
Capital Investments	2,222	859	- 1,362	9,519	9,400
Depreciation	933	1,060	127	4,067	4,900
R&D Costs	1,602	1,585	- 17	6,826	7,200

● FY2025 capital investments plan

Molds for new products, measuring equipment and jigs, products for demonstration, and production equipment

Introduction of PLM/MES* systems

Capital Investments: approx. ¥3.0 bil

FY2022: ¥0.3 bil, FY2023: ¥0.5 bil, FY2024: ¥0.9 bil

FY2025: ¥0.8 bil, FY2026~ : ¥0.5 bil

PLM/MES:

Planned to start operation in FY2025

Establishment of new plant in Tsurugashima City

Total investments: approx. ¥11 bil

FY2022: ¥2.3 bil (Acquisition of the site)

~FY2024: ¥4.1 bil, FY2025: ¥3.2 bil

(Building and facilities)

FY2026~ : ¥1.4 bil (Facilities)

Construction: Started in July 2024 and

will be completed at end of 2025

Operation: Planned to start in 2026

*PLM: Product Life-cycle Management, MES: Manufacturing Execution System

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- Capital investments, depreciation, and R&D costs were ¥0.8 billion, ¥1 billion, and ¥1.5 billion, respectively. These were generally in line with the schedule.
- There are no changes to our forecasts for full-year capital investments of ¥9.4 billion, depreciation of ¥4.9 billion, and R&D costs of ¥7.2 billion.

11) Forecast for FY2025

	FY2024 Actual	FY2025 Forecast	YoY (%)	(Amounts of less than ¥1 million are rounded down)
Net Sales	225,424	240,000	6.5	
Domestic Sales	145,237	149,800	3.1	
Overseas Sales	80,187	90,200	12.5	+20% on a local currency basis (+14% on a local currency basis excluding impact of consolidation of Ad-Tech)
Gross Profit (Gross Profit Margin)	117,157 52.0%	126,000 52.5%	7.5	53.5% excluding impact of tariffs
Operating Income (Operating Income Margin)	20,713 9.2%	24,000 10.0%	15.9	
Ordinary Income	20,373	24,000	17.8	
Income Attributable to Owners of Parent	14,098	15,000	6.4	
Percentage of Overseas Sales	35.6%	37.6%		

Breakdown of overseas sales by region

	FY2024 Actual	FY2025 Forecast	YoY (%)
North America	41,900	47,500	13.4
Latin America	5,388	5,900	9.5
Europe	12,554	13,400	6.7
Asia & Other	20,344	23,400	15.0
Total	80,187	90,200	12.5

*The assumed exchange rates from FY2025 2Q remain 140 yen to the U.S. dollar and 156 yen to the euro.

- As recent performance trends are in line with estimates, the Company reaffirms its forecast for FY2025. The assumed exchange rates also remain unchanged.
- In the 1st half of FY2025, domestic and overseas sales are expected to be low-single-digit growth and double-digit growth, respectively. In Japan, we will focus on our consumables and services business and strengthen our offerings of patient monitors and IT systems, while capital expenditure in hospitals has been cautious due to the deterioration of their business sentiment. Internationally, we aim for double-digit sales growth in North America and Asia & Other. Budget executions in the Middle East & Africa and Latin America markets will be more concentrated in the 2nd half of FY2025 compared to our original expectations. Operating income is also expected to increase in the 1st half of FY2025. Gross profit margin in the 1st half is expected to be above 52%, which will be the same level as the 1st quarter result and full-year forecast. We will also focus on restraining the increase of SG&A expenses.
- In terms of the impact of the U.S. tariff policies, the Company incorporates a negative factor worth around ¥2.5 billion as a direct tariff burden into its full-year forecasts for income. The negative impact on the full-year performance is expected to be smaller because the tax rate will be lower than our original estimates.

(Ref.) Consolidated Forecast for FY2025 by Product Category/ Effect of Exchange Rates

(Amounts of less than ¥1 million are rounded down)

	FY2024 Actual	FY2025 Forecast	Composition ratio (%)	YoY (%)
Physiological Measuring Equipment	46,874	53,200	22.2	13.5
Patient Monitors	84,965	89,000	37.1	4.7
Treatment Equipment	53,184	56,600	23.6	6.4
Other Medical Equipment	40,400	41,200	17.1	2.0
Total	225,424	240,000	100.0	6.5

(Reference)

Medical Services	113,304	120,800	50.3	6.6
Consumables and Services	112,119	119,200	49.7	6.3

Average Exchange Rate

	FY2024 Actual	FY2025 Forecast
1 US Dollar	152.4 yen	140 yen
1 EURO	163.5 yen	156 yen

Estimated Exchange Rate Fluctuations for Full Fiscal Year

	Sales	Operating Income
US Dollar	0.47 bil yen	0.12 bil yen
EURO	0.06 bil yen	0.02 bil yen

- The Company also reaffirms its forecasts for FY2025 by product category.

Disclaimer:

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